

FINANCIAL SERVICES

MISSION STATEMENT

The Financial Services Department is committed to quality and excellence ensuring the financial integrity of the City and its related agencies while providing efficient courteous service.

DESCRIPTION

The Financial Services Department is responsible for providing quantitative financial information as well as qualitative fiscal management of City funds. This enables the City Council, City departments and agencies to make informed decisions on the allocation of available resources through the careful analysis of revenues and expenditures. The department also maintains a balanced City budget, and provides the City's financial condition and the results of its operations in the fiscal year-end Comprehensive Annual Financial Report (CAFR).

The department provides a wide range of services including budget, purchasing, accounts receivable and revenue collection, fixed asset management, payroll, accounts payable, accounting, deferred compensation administration, Public Employees' Retirement System (PERS) reporting, debt management, and internal audit management.

OBJECTIVES

The Financial Services Department closely adheres to the City Council's adopted Financial Policies. These include maintaining a balanced operating budget for all governmental funds, monitoring all proprietary funds to ensure that they remain self-supporting, maintaining appropriate reserves, and complying with all bond covenants. The department will closely monitor the fiscal operations of the City in conjunction with the City's Ten-Year Strategic Plan Goals.

The department's staff will comply with the changes in reporting requirements and adhere to the principles of

the Governmental Accounting Standards Board (GASB). Staff will provide ongoing training and support to City employees in the Oracle financials module and maintain a high level of customer service to the other departments, residents and businesses.

The department will continue to produce an award winning Annual Budget, CAFR and Capital Improvement Program (CIP) budget that is recognized by both the Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO).

The City and its related agencies bonded indebtedness will continue to be monitored including debt service payments, bondholder relations, arbitrage coordination, continuing disclosure requirements and internal controls.

CHANGES FROM PRIOR YEAR

As part of the five percent budget reduction of the department, the City's warehouse was consolidated with the Burbank Water & Power warehouse facility. The merging of both facilities generates a total savings of \$175,553 in operational costs and a decrease in staffing of two full-time employees.

Other reductions to Materials, Services & Supplies include a savings of \$21,923 in professional services, and reductions in travel and training expenses by \$2,080.

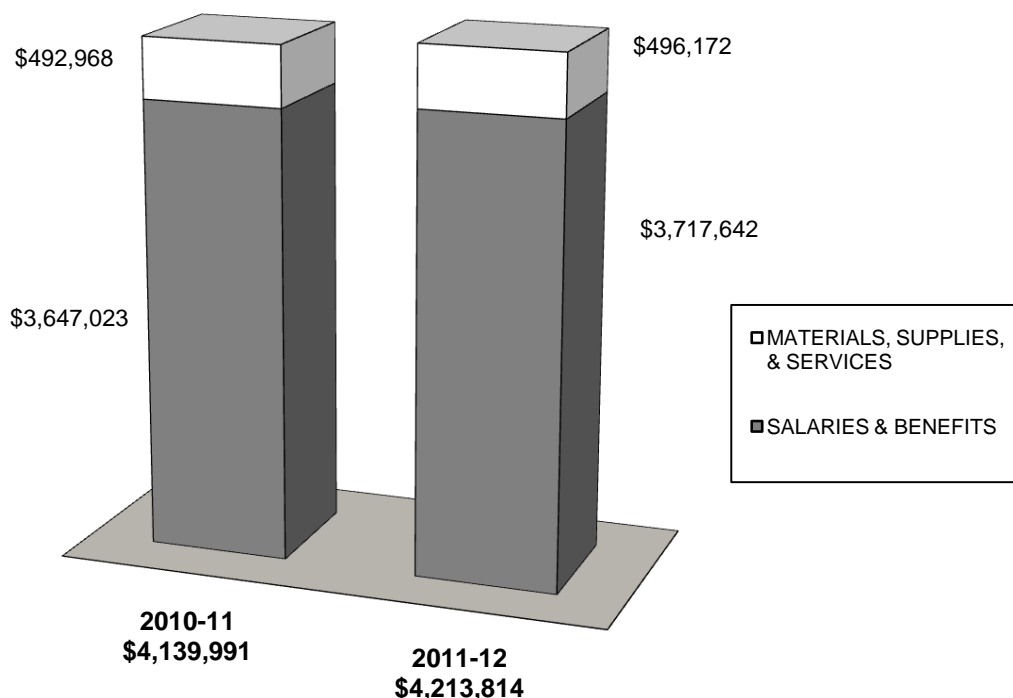
Due to rising audit expenses to widen the scope of internal and external controls, Council approved an increase in audit fees in the Other Professional Services account by \$64,000. A new grants system software in the amount of \$8,500 was also approved for the fiscal year.

DEPARTMENT SUMMARY

	EXPENDITURES 2009-10	BUDGET 2010-11	BUDGET 2011-12	CHANGE FROM PRIOR YEAR
Staff Years	33.000	34.000	32.000	(2.000)
Salaries & Benefits	\$ 3,406,762	\$ 3,647,023	\$ 3,717,642	\$ 70,619
Materials, Supplies, Services	724,943	492,968	496,172	3,204
Capital Outlay	7,500			
TOTAL	\$ 4,139,205	\$ 4,139,991	\$ 4,213,814	\$ 73,823

FINANCIAL SERVICES

Department Summary



2010-11 WORK PROGRAM HIGHLIGHTS

- Adopted a balanced budget totaling approximately \$786 million.
- For the 19th year in a row, the City received the Government Finance Officers Association's (GFOA's) Distinguished Budget Presentation Award for FY 2010-11. This is the highest form of recognition in governmental budgeting.
- The City's FY 10-11 Adopted Annual Budget and Capital Improvement Program Budget were also selected to receive the Excellence in Operating Budget Award and Excellence in Capital Budget Award by the California Society of Municipal Finance Officers (CSMFO).
- The "Budget at a Glance" also garnered the Excellence in Public Communications award from CSMFO for its second year of publication.
- For the 28th consecutive year, the Comprehensive Annual Financial Report (CAFR) received the GFOA's annual national achievement award.
- Completed the conversion and plan asset transfer for the City's 457 Deferred Compensation program to ICMA-RC.
- Streamlined the Purchasing Division through a reorganization to increase efficiencies and enhance customer support.
- Implemented the electronic payments of all California State Child Support Wage Garnishment payments.
- Completed a clean up in the City's Oracle System of inactive vendors in preparation for implementing State and Federal vendor tax withholding requirements.
- Coordinated the FY 10-11 audits for the Transient Occupancy Tax and Transient Parking Tax. In addition, an audit on concession vendors at the DeBell Golf Course was also performed.
- Worked with the City Attorney's Office to place a measure on the April 2011 general election ballot in order to modernize the City's Utility User's Tax ordinance via voter approval. The measure passed by a 69% majority vote.
- Worked with Information Technology to implement and test the initial phase of a collections system to efficiently collect on delinquent receivables.
- Created an Administrative Procedure for invoicing property damage on restitution cases.

2010-11 WORK PROGRAM HIGHLIGHTS cont.

- Implemented GASB 54, New and Improved Definitions of Fund Balances and Types, to ensure accurate reporting of the financial requirements.
- Finalized work with Information Technology to upgrade the general ledger for the Work Asset Management system (WAM), Federal Energy Regulatory Commission (FERC) standardized chart of accounts, and Fixed Asset Revaluation.
- Implemented an Accounts Payable online vendor payment report for increased public transparency.
- Participated in vendor outreach efforts to stimulate local competition and educate companies on how to become registered and conduct business with the City.
- Explored the feasibility of transmitting documents and receiving bids electronically for Public Works Construction contracts using e-procurement.

2011-12 WORK PROGRAM GOALS

- Continue to update the current 5-year long range financial forecast to address any future projected budget shortfalls and to forecast within + or - 3% of actual results.
- Establish periodic revenue reports to present to executives and Council members.
- Work with CalPERS Retirement on the implementation of their new reporting system.
- Implement new vendor tax withholding requirements through Accounts Payable.
- Go live with the implementation of the Advanced Collection system to improve the collection performance on delinquent receivables.
- Implement a formal on-going process to report to Council on the fiscal health of all City Funds.
- Work with Information Technology to implement the Franchise Tax Board (FTB) Offset program that will allow the City to collect delinquent accounts through the FTB.
- Monitor any newly issued GASB pronouncements and determine if they are applicable to the City to ensure accurate reporting of the financial requirements.
- Implement Federal Electronic Withholding Order Process to receive child support wage assignments electronically.
- Complete the implementation of the multi-functional printer equipment in the remaining five departments in support of the City's sustainability efforts.
- Implement payroll self-serve time entry for Finance and IT (beta sites) preparing for citywide availability.
- Finalize implementation and go live with Oracle Employee Self Service for Human Resources (view only).
- Monitor any newly issued GASB pronouncements and determine if they are applicable to the City to ensure accurate reporting of the financial requirements.
- Complete a review of the City's current Financial Policies and bring forward to Council for discussion.
- Develop a citywide ethics and fraud policy per the recommendation of the annual auditors.
- Work with auditors to embark on a five year plan to move forward with the review and documentation of internal city management controls.
- Submit an award winning Comprehensive Annual Financial Report (CAFR) for the 29th consecutive year.
- Coordinate with the cities of Glendale and Pasadena to identify opportunities for cost savings through cooperative purchasing, beginning with the evaluation of fuel contracts in FY 11-12.
- Modernize the procurement process and require electronic bid submittals for all procurements under \$100,000. This will increase efficiency and promote the City's sustainability program.
- Complete the solicitation and selection process for the citywide office supplies contract to reduce costs and improve vendor services and accountability.
- Explore the feasibility of implementing a new budget module compatible with the current Oracle financial system.
- Increase procurement training efforts with departments to improve customer support, increase understanding of procurement procedures and enhance the overall effectiveness of procurement efforts in the City.
- Review financial reports with each department to ensure that appropriate financial reporting is available to allow for proper revenue and expenditure management.
- Establish quarterly reports on the increase of grants obtained through the grants management system.
- Compile a comprehensive list of telecom carriers operating within Burbank and evaluate their compliance with the City's recently adopted modernized UUT ordinance.
- Within the Budget book, provide greater transparency on Enterprise Fund performance by enhancing the reporting on revenues in conjunction with appropriations.

Accounting/Administration Division

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The Accounting/Administration Division is responsible for the development, implementation, and maintenance of effective financial accounting systems and controls. The Division provides for management control over the City's financial operations by ensuring the ability to present fairly, and with full disclosure on a timely basis, the financial position of the City. This division is responsible for the development of long range financial planning and fiscal support functions to other City departments and other responsible agencies. Payroll, debt management, deferred compensation/PERS reporting, accounts payable, accounting and financial reporting, as well as managing of internal audits are handled in this division.

OBJECTIVES

- Complete month-end closings of all Oracle financial modules in a timely manner.
- Complete State Controller's Reports (City and Redevelopment Agency), Street Reports, and Comprehensive Annual Financial Reports (CAFR's) within applicable deadlines.
- Issue the 6/30/11 Comprehensive Annual Financial Report (CAFR) that meets the GFOA award program guidelines for excellence in financial reporting.
- Coordinate Annual Financial Audit with outside auditors.
- Provide initial and ongoing training for all Oracle Financial users.
- Work with other departments to revise and maintain a five-year cash flow analysis for Refuse, Sewer, Golf, Gas Tax, Parking Authority, Transportation funds, Housing funds, Redevelopment funds and Internal Service funds.
- Work with Information Technology to implement ongoing enhancements for the Enterprise Resource Planning (ERP) system.
- Perform system requirements documentation with the Information Technology Department.
- Debt administration for all bond issues.
- Enhance interdepartmental communications and customer service through ongoing training and department meetings.
- Coordinate the City's Internal Audit Program.

CHANGES FROM PRIOR YEAR

Reductions in Materials, Services and Supplies include a decrease in training in the amount of \$2,080 by eliminating the Director's GFOA conference.

Increases to the Other Professional Services accounts in the amount of \$64,000 were necessitated due to an increase in scope of internal audit services provided by Lance, Soll & Lunghard. The search for a new external audit firm, McGladrey & Pullen was also approved by Council during the budget process.

DIVISION SUMMARY

	EXPENDITURES 2009-10	BUDGET 2010-11	BUDGET 2011-12	CHANGE FROM PRIOR YEAR
Staff Years	16.000	17.000	17.000	
Salaries & Benefits	\$ 1,666,557	\$ 1,915,735	\$ 2,017,534	\$ 101,799
Materials, Supplies, Services	483,076	189,273	293,260	103,987
TOTAL	\$ 2,149,633	\$ 2,105,008	\$ 2,310,794	\$ 205,786

Budget/Purchasing/Revenue Division

001FN02A

The Budget Section's main function includes the preparation, development and publication of the Annual Adopted Budget and the Capital Improvement Program (CIP) budgets. The division works with all City departments in obtaining revenue estimates, expenditures and assistance on budget amendments during the budget process. The Division submits a proposed budget document for review to Council prior to adoption. The Budget division also provides reports regarding the financial status of the City during the fiscal year.

Purchasing provides centralized control over the issuance of purchase orders and contracts with respect to the procurement of goods and services.

The Revenue Section is responsible for managing the revenue operations of the City and monitoring the City's major revenues, such as Sales Tax and Property Tax. It is also responsible for the City's billed receivables including the collection of citywide delinquent accounts. The division is also responsible for monitoring all grants.

OBJECTIVES

- Prepare and maintain a balanced annual operating and CIP budget.
- Anticipate potential economic impacts from changing conditions, State budget impacts to Burbank, State and Federal legislation to the City, and recommend and/or take measures to mitigate or minimize those impacts.
- Coordinate the annual cost allocation plan.
- Coordinate the annual update of the Burbank Fee Schedule.
- Prepare the annual *Budget in Brief* Document and Budget Brochure.
- Provide ongoing training to all departments on the Oracle Purchasing and Accounts Receivable modules.
- Enhance interdepartmental communications and customer service through ongoing training and standard ongoing departmental meetings.
- Support Citywide purchasing needs by assisting departments in preparing bid specifications and request for proposals as well as negotiating contract terms.
- Provide departments with analytical support for special studies such as revenue analysis for proposed new fees and funding sources.
- Provide the City Manager and City Council ongoing status reports on the City's financial condition.
- Administer the City's billed receivables and maintain delinquent accounts for all departments.

CHANGES FROM PRIOR YEAR

As part of the five percent budget reduction of the department, the City's warehouse and Burbank Water & Power Department's warehouse facilities were consolidated. The merging of both facilities generates a total savings of \$175,553 in operational costs and a decrease in staffing of two full-time employees.

Reductions in Materials, Services and Supplies include a restructured payment of SB90 claims which will result in a savings of \$21,923 in the Other Professional Services account.

Additional funding in the amount of \$8,500 was approved by Council for eCivis, a grants management software program to potentially increase grant funding opportunities for the City.

DIVISION SUMMARY

	EXPENDITURES 2009-10	BUDGET 2010-11	BUDGET 2011-12	CHANGE FROM PRIOR YEAR
Staff Years	17.000	17.000	15.000	(2.000)
Salaries & Benefits	\$ 1,740,205	\$ 1,731,288	\$ 1,700,108	\$ (31,180)
Materials, Supplies, Services	241,867	303,695	202,912	(100,783)
Capital Outlay	7,500			
TOTAL	\$ 1,989,572	\$ 2,034,983	\$ 1,903,020	\$ (131,963)

Accounting/Administration

001FN01A

		EXPENDITURES	BUDGET	BUDGET	CHANGE FROM
		FY 2009-10	FY 2010-11	FY 2011-12	PRIOR YEAR
STAFF YEARS		16.000	17.000	17.000	
SALARIES & BENEFITS					
60001	Salaries & Wages	\$ 1,184,218	\$ 1,370,818	\$ 1,372,291	\$ 1,473
60006	Overtime	(829)	10,000	10,000	
60012	Fringe Benefits	478,445	530,429	270,078	(260,351)
60012	Fringe Benefits - Pension			330,973	330,973
60012	Fringe Benefits - Workers Comp			29,704	29,704
60015	Wellness Program	770			
60022	Car Allowance		4,488	4,488	
60031	Payroll Adjustment	3,953			
		1,666,557	1,915,735	2,017,534	101,799
MATERIALS, SUPPLIES, SERVICES					
DISCRETIONARY					
62085	Other Professional Services	\$ 210,020	\$ 99,649	\$ 205,004	\$ 105,355
62170.1001	Private Contract Serv-Temp Staff	185,960			
62300	Special Departmental Supplies	4,645	7,000	7,000	
62310	Office Supplies	21,966	21,897	19,897	(2,000)
62420	Books & Periodicals	752	860	860	
62440	Office Equip Maint & Repairs	128	765	1,765	1,000
62455	Equipment Rentals	1,916	3,500	3,500	
62700	Memberships & Dues	1,825	1,080	1,210	130
62710	Travel	4,762	7,760	5,710	(2,050)
62755	Training	1,842	3,130	3,100	(30)
62895	Miscellaneous	591	900	900	
NON-DISCRETIONARY					
62485	F535 Comm Equip Rental	20,165	20,165	20,165	
62496	F537 Computer Equip Rental	28,504	22,567	24,149	1,582
		483,076	189,273	293,260	103,987
PROGRAM TOTAL		\$ 2,149,633	\$ 2,105,008	\$ 2,310,794	\$ 205,786

Budget/Purchasing/Revenue

001FN02A

		EXPENDITURES	BUDGET	BUDGET	CHANGE FROM
		FY 2009-10	FY 2010-11	FY 2011-12	PRIOR YEAR
STAFF YEARS		17.000	17.000	15.000	(2.000)
SALARIES & BENEFITS					
60001	Salaries & Wages	\$ 1,218,206	\$ 1,238,028	\$ 1,161,184	\$ (76,844)
60006	Overtime	130	500	500	
60012	Fringe Benefits	519,316	492,760	233,597	(259,163)
60012	Fringe Benefits - Pension			281,514	281,514
60012	Fringe Benefits - Workers Comp			23,313	23,313
60031	Payroll Adjustment	2,553			
		1,740,205	1,731,288	1,700,108	(31,180)
MATERIALS, SUPPLIES, SERVICES					
DISCRETIONARY					
62085	Other Professional Services	\$ 101,278	\$ 209,405	\$ 114,626	\$ (94,779)
62170	Private Contractual Services	51,449			
62170.1001	Private Contract Serv-Temp Staff	7,224			
62300	Special Departmental Supplies	1,566	4,128	4,128	
62310	Office Supplies	3,707	7,845	7,845	
62405	Uniforms & Tools	583	562		(562)
62420	Books & Periodicals	60	505	505	
62440	Office Equip Maint & Repairs		445	445	
62455	Equipment Rentals	3,426	5,181	6,181	1,000
62700	Memberships & Dues	1,710	1,740	1,610	(130)
62710	Travel	2,875	5,000	4,280	(720)
62755	Training	905	2,350	3,070	720
62895	Miscellaneous	240	400	400	
NON-DISCRETIONARY					
62220	Insurance	37,513	40,367	42,896	2,529
62475	F532 Vehicle Equipment Rental	8,160	7,408		(7,408)
62485	F535 Comm Equip Rental	7,080	7,080	5,688	(1,392)
62496	F537 Computer Equip Rental	14,091	11,279	11,238	(41)
		241,867	303,695	202,912	(100,783)
PROGRAM TOTAL		\$ 1,982,072	\$ 2,034,983	\$ 1,903,020	\$ (131,963)

FINANCIAL SERVICES

AUTHORIZED POSITIONS

CLASSIFICATION TITLES Full Time	STAFF YEARS 2009-10	STAFF YEARS 2010-11	STAFF YEARS 2011-12	CHANGE FROM PRIOR YEAR
FINANCIAL SRVCS DIR	1.000	1.000	1.000	
ASST FINC SRVCS DIR	1.000			
DEPUTY FINC SRVCS DIR	1.000	2.000	2.000	
PURCHASING MGR	1.000	1.000	1.000	
BUDGET MANAGER	1.000			
GRANTS & REV MANAGER	1.000	1.000	1.000	
ADMINISTRATIVE OFFICER		1.000	1.000	
SR BUYER	1.000	1.000	1.000	
SR ADMIN ANALYST	2.000	1.000	1.000	
ADMIN ANALYST II	1.000	1.000	1.000	
PRINCIPAL ACCOUNTANT	1.000	1.000	1.000	
ACCT/AUDIT MANAGER	1.000	1.000	1.000	
FIN SYSTEMS MANAGER	1.000	1.000	1.000	
SR ACCOUNTANT	1.000	1.000	1.000	
BUYER II	1.000	1.000	1.000	
ACCOUNTANT	2.000	2.000	2.000	
SUPV ACCOUNT CLERK	3.000	3.000	3.000	
SR. COLLECTIONS SPECIALIST	1.000	1.000	1.000	
ADMINISTRATIVE ANALYST I	2.000	3.000	3.000	
PAYROLL TECH II	1.000	1.000	1.000	
PAYROLL TECH I	1.000			
STOREKEEPER	1.000	1.000		-1.000
ACCOUNT CLERK	2.000	4.000	4.000	
SR. CLERK	1.000	1.000	1.000	
STORES HELPER	1.000	1.000		-1.000
EXECUTIVE ASSISTANT	1.000	1.000	1.000	
INTERMEDIATE CLERK	2.000	2.000	2.000	
TOTAL FULL TIME	33.000	34.000	32.000	-2.000
TOTAL STAFF YEARS	33.000	34.000	32.000	-2.000